

Daily Market Outlook

11 November 2025

Upbeat sentiment

- USD rates.** USTs yields retraced from session high overnight, to end the day a few bps higher amid risk on sentiment upon hope of a potential deal to end US government shutdown. The 3Y coupon bond auction went well, stopping through at 3.579%, with the bid/cover ratio higher at 2.85x. Indirect accepted and direct accepted both edged higher, leaving primary dealer with 9.7%. There are USD42bn of 10Y TIPS and USD25bn of 20Y Bond auctions for the rest of the week. Net bills settlement is at USD37bn this week. TGA balance was last at 950bn on 7 November; this balance is expected to fall towards the target of USD850bn especially if there is an end to government shutdown, releasing some liquidity back to the market. An end to US shutdown means the market will be receiving data releases gradually, and before December FOMC, there will be a lot for the Committee to digest. Given recent private sector releases have been on the soft side, risk then will be for any upside surprises delaying the next Fed fund rate cut. At this juncture, the likelihood remains for a 25bp cut in December and another in Q1-2026. Near-term range for 10Y UST yield is seen at 4.05-4.25%, while the 2Y UST yield may hover around the 3.60% level. Fed funds futures last priced a 62% chance of a 25bp cut in December; and priced a total of 81bps of cut between now and end 2026 versus our base case for 50bps. We do not expect material downside to 2Y UST yield even upon materialization of our expected Fed funds rate cuts.

Frances Cheung, CFA
FX and Rates Strategy
FrancesCheung@ocbc.com

Christopher Wong
FX and Rates Strategy
ChristopherWong@ocbc.com

Global Markets Research and Strategy



Source: Bloomberg, OCBC Research

- DXY. Mixed.** Hopes of shutdown nearing an end continued to keep sentiments supported. Republicans hold a 53-47 majority in the senate and there were 8 Democrat senators who swung to support Republicans. The final vote in the senate has just been passed, and later a vote in the House this week before Trump signs. Risk proxy-FX including AUD, MYR are outperforming other lower yielders like JPY, EUR and SGD, while the USD traded mixed. DXY was last at 99.70 levels. Mild bullish momentum on daily chart faded but decline in RSI slowed. 2-way trades likely to persist. Resistance at 100.40/60 levels (200 DMA, 76.4% fibo), 101.20 levels. Support at 99.10 levels (50% fibo retracement of May high to Sep low), and 98.20/40 levels (50, 100 DMAs, 38.2% fibo). More importantly, when will data releases resume normal flow after US government ends? CPI, PPI and retail sales data are supposed to be released on Thu, Fri later this week but is likely to be delayed until further

notice. Past data will be gradually released after shutdown is lifted, going by historical episodes. The statistical agencies can release the missed data as and when they are ready and need not wait the next scheduled date to release. Given the absence of data releases, Fedspeaks will probably still be key and there are 13 occasions Fed officials will speak at. Overnight, Musalem said he expects the US economy to get "a substantial rebound in the first quarter", citing an expected bump when the government shutdown ends, fiscal support, the impact of rate cuts already made and deregulation. Officials should approach additional interest-rate cuts with caution.

- Gold. *Regaining Momentum.*** Gold rebounded sharply this week, riding on hopes that US government shutdown may be nearing its end. It may sound odd but gold is behaving more like an "alpha" proxy outperforming traditional risk assets. Improved technical setup and momentum may also have played a part. Sharp corrective pullback helped to restore healthier positioning and valuations. The medium-term drivers that underpin gold's constructive bias remain intact - Fed to continue to ease policy into 2026 with rates likely to trend lower overall, and central-bank as well as institutional diversification demand continues. Gold's role as a portfolio hedge against fiscal and policy uncertainty, store of value and a confidence hedge remain intact. To add, we earlier did flag that if gold manages to consolidate in this range of 3,920 – 4,020, then it may set the stage for base-building before the next leg higher. XAU last seen at 4130 levels. Bearish momentum on daily chart shows signs of fading while RSI rose. Next resistance at 4130 levels (23.6% fibo retracement of Aug low to Oct high), 4250 levels. Support at 4064 (21 DMA), 3970 (38.2% fibo).
- USDSGD. *Consolidation.*** USDSGD traded subdued; last seen around 1.3030 levels. Price pattern last week raises the risk of a bull trap though it remains early to concur. But weekly technical shows a gravestone doji, typically associated with a bearish reversal. On daily chart, mild bullish momentum faded but the decline in RSI slowed. 2-way risks likely. Immediate support at 1.2990 (21 DMA), 1.2950 (23.6% fibo retracement of 2025 high to low) and 1.2920 (50 DMA). Resistance at 1.31 levels (38.2% fibo, near recent highs). Looking on, we expect broader market narratives, including USD trend, moves in RMB, JPY and risk sentiments, etc. to influence the pair more as MAS policy takes a back seat for now. S\$NEER showed signs of strengthening; last at 1.2% above model implied mid.
- SGD rates.** SGD OIS traded higher by 2-4bps in a steepening manner on Monday. The SGS curve have steepened further mildly across the 2s10s segment over recent days, led by the outperformance at the 2Y bond. 10Y SGS itself is likely to trade in ranges over the coming weeks. Support comes from a vacuum of supply, with the next long-end bond auctions in March with the 30Y Green SGS

(Infra) and in April with the 10Y SGS (MD). Bond/swap spread, meanwhile, does not look particularly appealing. Today, there are the usual MAS bills auctions. 1M implied SGD rate traded at around 1.19% and 3M implied SGD rate at around 1.21% this morning, similar to levels a week ago. Cut-off at the 4W MAS bills is expected at 1.30-1.35%, and cut-off at the 12W MAS bills may come in the range of 1.37-1.42%.



Macro Research

Selena Ling

Head of Research & Strategy
lingssselena@ocbc.com

Herbert Wong

Hong Kong & Taiwan Economist
herberthtwong@ocbc.com

Jonathan Ng

ASEAN Economist
jonathannq4@ocbc.com

Tommy Xie Dongming

Head of Asia Macro Research
xied@ocbc.com

Lavanya Venkateswaran

Senior ASEAN Economist
lavanyavenkateswaran@ocbc.com

Ong Shu Yi

ESG Analyst
shuyionq1@ocbc.com

Keung Ching (Cindy)

Hong Kong & Macau Economist
cindyckeung@ocbc.com

Ahmad A Enver

ASEAN Economist
ahmad.enver@ocbc.com

FX/Rates Strategy

Frances Cheung, CFA

Head of FX & Rates Strategy
francescheung@ocbc.com

Christopher Wong

FX Strategist
christopherwong@ocbc.com

Credit Research

Andrew Wong

Head of Credit Research
wongvkam@ocbc.com

Ezien Hoo, CFA

Credit Research Analyst
ezienhoo@ocbc.com

Wong Hong Wei, CFA

Credit Research Analyst
wonghongwei@ocbc.com

Chin Meng Tee, CFA

Credit Research Analyst
mengteechin@ocbc.com

This report is solely for information purposes and general circulation only and may not be published, circulated, reproduced or distributed in whole or in part to any other person without our prior written consent. This report should not be construed as an offer or solicitation for the subscription, purchase or sale of the securities/instruments mentioned herein or to participate in any particular trading or investment strategy. Any forecast on the economy, stock market, bond market and economic trends of the markets provided is not necessarily indicative of the future or likely performance of the securities/instruments. Whilst the information contained herein has been compiled from sources believed to be reliable and we have taken all reasonable care to ensure that the information contained in this report is not untrue or misleading at the time of publication, we cannot guarantee and we make no representation as to its accuracy or completeness, and you should not act on it without first independently verifying its contents. The securities/instruments mentioned in this report may not be suitable for investment by all investors. Any opinion or estimate contained in this report is subject to change without notice. We have not given any consideration to and we have not made any investigation of the investment objectives, financial situation or particular needs of the recipient or any class of persons, and accordingly, no warranty whatsoever is given and no liability whatsoever is accepted for any loss arising whether directly or indirectly as a result of the recipient or any class of persons acting on such information or opinion or estimate. This report may cover a wide range of topics and is not intended to be a comprehensive study or to provide any recommendation or advice on personal investing or financial planning. Accordingly, it should not be relied on or treated as a substitute for specific advice concerning individual situations. Please seek advice from a financial adviser regarding the suitability of any investment product taking into account your specific investment objectives, financial situation or particular needs before you make a commitment to purchase the investment product. In the event that you choose not to seek advice from a financial adviser, you should consider whether the investment product mentioned herein is suitable for you. Oversea-Chinese Banking Corporation Limited ("OCBC Bank"), Bank of Singapore Limited ("BOS"), OCBC Investment Research Private Limited ("OIR"), OCBC Securities Private Limited ("OSPL") and their respective related companies, their respective directors and/or employees (collectively "Related Persons") may or might have in the future, interests in the investment products or the issuers mentioned herein. Such interests include effecting transactions in such investment products, and providing broking, investment banking and other financial or securities related services to such issuers as well as other parties generally. OCBC Bank and its Related Persons may also be related to, and receive fees from, providers of such investment products. There may be conflicts of interest between OCBC Bank, BOS, OIR, OSPL or other members of the OCBC Group and any of the persons or entities mentioned in this report of which OCBC Bank and its analyst(s) are not aware due to OCBC Bank's Chinese Wall arrangement. This report is intended for your sole use and information. By accepting this report, you agree that you shall not share, communicate, distribute, deliver a copy of or otherwise disclose in any way all or any part of this report or any information contained herein (such report, part thereof and information, "Relevant Materials") to any person or entity (including, without limitation, any overseas office, affiliate, parent entity, subsidiary entity or related entity) (any such person or entity, a "Relevant Entity") in breach of any law, rule, regulation, guidance or similar. In particular, you agree not to share, communicate, distribute, deliver or otherwise disclose any Relevant Materials to any Relevant Entity that is subject to the Markets in Financial Instruments Directive (2014/65/EU) ("MiFID") and the EU's Markets in Financial Instruments Regulation (600/2014) ("MiFIR") (together referred to as "MiFID II"), or any part thereof, as implemented in any jurisdiction. No member of the OCBC Group shall be liable or responsible for the compliance by you or any Relevant Entity with any law, rule, regulation, guidance or similar (including, without limitation, MiFID II, as implemented in any jurisdiction).

The information provided herein may contain projections or other forward looking statements regarding future events or future performance of countries, assets, markets or companies. Actual events or results may differ materially. Past performance figures are not necessarily indicative of future or likely performance.

Privileged / confidential information may be contained in this report. If you are not the addressee indicated in the message enclosing the report (or responsible for delivery of the message to such person), you may not copy or deliver the message and/or report to anyone. Opinions, conclusions and other information in this document that do not relate to the official business of OCBC Bank, BOS, OIR, OSPL and their respective connected and associated corporations shall be understood as neither given nor endorsed.

Co.Reg.no.: 193200032W

Follow our podcasts by searching 'OCBC Research Insights' on Telegram!